New solutions for an older world
Steve Webb (Royal London)
Matt Singleton (Swiss Re)

Who pays for ageing?
The ageing wallet
Ageing needs are funded by a “wallet” containing savings, society support and insurance solutions

Money to fund income, health care, social care and inheritance for people over age 65

Today, society bears the largest share, but that is in decline

How much does it cost to support a British senior?

For everyone over age 65

TOTAL ANNUAL SPEND

USD 0.4 tn

AVERAGE ANNUAL SPEND

PER PERSON OVER AGE 65

USD 38k

Who pays for the ageing?

7% Insurance

25% Savings

10% Society state

58% Society state

Today, society bears the largest share, but that is in decline.
Multiple trends impact consumer needs and funding sources

With improved insight on the ageing consumer, the insurance industry could become more relevant through providing new solutions that capture an increased share as society’s contribution reduces.
Who are the ageing?
Consumer research

Source: Swiss Re "Who are the ageing?", 2017

9 countries
900 personal
9000 online consumer contacts
5000 hours with consumers
Can insurance be a gateway to better services in later life?
Can we do more to help the family unit to address the later-life challenge?

Daughter: “I would like to take the responsibility of looking after them”

Mother: “If you’re working and you’ve got children, how are you going to dedicate the time?”

Son: “I would say, as a family we are close, but we don’t like talking about things like that. This is like a counselling session”

Can we address needs by starting with the risk?

"There’s no point in trying to organise your health if you haven’t got a pension, if you haven’t sorted yourself out for retirement”

"I fear going into an old people’s home … with no family or no support”

"Health starts with keeping fit and eating well. Money’s important, but if you haven’t got your health…”

"I try to save some [money] to pass on to the children and grandchildren”

Source: Swiss Re “Who are the ageing?”, 2017
We need to create innovative solutions to address diverse needs of senior consumers

Senior Solutions must be:

- Affordable
- Accessible
- Relevant

Examples from around the world

- Senior cancer coverage
- Critical Illness cover for seniors
- Whole of life care accelerators
- Medical insurance for seniors

What is the role for care insurance?

Steve Webb, Director of Policy, Royal London
The future of ageing and insurance
Steve Webb and Matt Singleton

Expressions of individual views by members of the Institute and Faculty of Actuaries and its staff are encouraged.

The views expressed in this presentation are those of the presenter.